Approved For Release 2001/08/23 : CIA-RDP57-00384R000400140078-0

CONFIDENTIAL

20 August 1947

MEMORANDUM FOR THE ASS'T CHIEF BUDGET AND FINANCE BRANCH

Subject: Salary Payments and Retirement Refunds in Loyalty Cases

OGC HAS REVIEWED.

1. We have only minor comment to make on the proposed letter requesting the Comptroller General for a ruling on payment of terminal leave and retirement refunds to employees terminated on the ground of reasonable doubt as to loyalty.

(a) In paragraph 1, we suggest a change in the third sentence on the ground that the security involved is not our normal concept of security, but is rather for the protection of the individual. We think it might be well also to point out that this case raises a general question which will control a number of prospective cases on which the Director desires guidance. We suggest the sentence read somewhat as follows:

"The name of the employee is omitted from this letter and the attachment, not only for the protection of the individual, but also because the issue here raised is expected to be of general and continuing interest in actual or contemplated similar cases."

(b) In the first sentence of paragraph 3, we believe the word "pro-communist" is preferable to "pro-communistic." Also in that sentence, unless you use the word "subversive" because of its use in some law or regulation, we believe it is an inexact term which might be confusing in future rulings. We suggest that the sentence read as follows:

"While it would appear that the subject employee may be pro-communist, and that her loyalty is subject to reasonable doubt, her views and such reasonable doubt do not seem to constitute proof of any illegal act or of any act in contravention of the laws and regulations controlling payment of salaries and retirement refunds."

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(c) In the second sentence starting on page 2, we again believe "pro-communist" is preferable to "pro-communistic," and in the next line we suggest changing the wording "within such category" to "within the category of a suspect only."

2. These suggestions are for your consideration only and no objection is made to the legal issue raised in your proposed letter.

LAWRENCE R. HOUSTON
General Counsel

Attachments

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ORIGINAL DOCUMENT MISSING PAGE(S):

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